

The President's Weekly Address

May 8, 2010

It's now been a little over a month since I signed health insurance reform into law. And while it will take some time to fully implement this law, reform is already delivering real benefits to millions of Americans. Already, we're seeing a health care system that holds insurance companies more accountable and gives consumers more control.

Two weeks ago, 4 million small-business owners and organizations found a postcard in their mailbox informing them that they could be eligible for a health care tax cut this year, a tax cut potentially worth tens of thousands of dollars, a tax cut that will help millions provide coverage to their employees.

Starting in June, businesses will get even more relief for providing coverage to retirees who are not yet eligible for Medicare. And a little over a month from now, on June 15th, senior citizens who fall into the prescription drug coverage gap known as the doughnut hole will start receiving a \$250 rebate to help them afford their medication.

Aside from providing real, tangible benefits to the American people, the new health care law has also begun to end the worst practices of insurance companies. For too long, we've been held hostage to an insurance industry that jacks up premiums and drops coverage as they please. But those days are finally coming to an end.

After our administration demanded that Anthem BlueCross justify a 39 percent premium increase on Californians, the company admitted the error and backed off its plan. And this week, our Secretary of Health and Human Services, Kathleen Sebelius, wrote a letter to all States urging them to investigate other rate hikes and stop insurance companies from gaming the system. To help States achieve this goal, we've set up a new Office of Consumer Information and Insurance Oversight and will provide grants to States with the best oversight programs.

In the next month, we'll also be putting in place a new patient's bill of rights. It'll provide simple and clear information to consumers about their choices and their rights. It will set up an appeals process to enforce those rights. And it will prohibit insurance companies from limiting a patient's access to their preferred primary care provider, ob-gyn, or emergency room care.

We're holding insurance companies accountable in other ways as well. As of September, the new health care law prohibits insurance companies from dropping people's coverage when they get sick and need it most. But when we found out that an insurance company was systematically dropping the coverage of women diagnosed with breast cancer, my administration called on them to put an end to this practice immediately. Two weeks ago, the entire insurance industry announced that it would comply with the new law early and stop the perverse practice of dropping people's coverage when they get sick.

On Monday, we'll also be announcing the new rule that allows young adults without insurance to stay on their parents' plan until they're 26 years old. Even though insurance companies have until September to comply with this rule, we've asked them to do so immediately to avoid coverage gaps for new college graduates and other young adults. This also makes good business sense for insurance companies, and we're pleased that most have agreed. Now we need employers to do the same, and we're willing to work with them to make this

transition possible. These changes mean that starting this spring, when young adults graduate from college, many who do not have health care coverage will be able to stay on their parents' insurance for a few more years. And you can check HealthReform.gov to find a list of all the insurance carriers who have agreed to participate right away.

I've said before that implementing health insurance reform won't happen overnight, and it will require some tweaks and changes along the way. Ultimately, we'll have a system that provides more control for consumers, more accountability for insurance companies, and more affordable choices for uninsured Americans. But already, we're seeing how reform is improving the lives of millions of Americans. Already, we are watching small businesses learn that they will soon pay less for health care. We are seeing retirees realize they'll be able to keep their coverage and seniors realize they'll be able to afford their prescriptions. We're seeing consumers get a break from unfair rate hikes and patients get the care they need when they need it and young adults getting the security of knowing that they can start off life with one less cost to worry about. At long last, this is what health care reform is achieving. This is what change looks like. And this is the promise we will keep as we continue to make this law a reality in the months and years to come.

Thanks so much.

NOTE: The address was recorded at approximately 5:45 p.m. on May 6 in the Library at the White House for broadcast on May 8. The transcript was made available by the Office of the Press Secretary on May 7 but was embargoed for release until 6 a.m. on May 8. The Office of the Press Secretary also released a Spanish language transcript of this address.

Categories: Addresses and Remarks : Weekly addresses.

Locations: Washington, DC.

Names: Sebelius, Kathleen.

Subjects: Business and industry : Small and minority businesses; Health and Human Services, Department of : Consumer Information and Insurance Oversight, Office of; Health and Human Services, Department of : Secretary; Health and medical care : Health insurance reforms; Health and medical care : Insurance coverage and access to providers; Health and medical care : Medicare and Medicaid; Health and medical care : Patient Protection and Affordable Care Act; Health and medical care : Seniors, prescription drug benefits; Health and medical care : Small businesses, tax credits to purchase insurance coverage; Health and medical care : Young adults, insurance coverage as dependents, age limit extension.

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